

EXHIBIT 1

1 UNITED STATES DISTRICT COURT.
2 FOR THE DISTRICT OF MASSACHUSETTS

3 UNITED STATES OF AMERICA)
4 450 Fifth Street NW, Suite 8000)
5 Washington, DC 20530)

Case No.
1:23-cv-10511-
WGY

6 COMMONWEALTH OF MASSACHUSETTS)
7 One Ashburton Place, 18th Floor)
8 Boston, MA 02108)

9 DISTRICT OF COLUMBIA)
10 400 Sixth Street NW, Tenth Floor)
11 Washington, DC 20001)

12 STATE OF CALIFORNIA)
13 300 South Spring Street)
14 Suite 1702)
15 Los Angeles, CA 90013)

16 STATE OF MARYLAND)
17 200 St. Paul Place, 19th Floor)
18 Baltimore, MD 21202)

19 STATE OF NEW JERSEY)
20 124 Halsey Street - 5th Floor)
21 Newark, New Jersey 07102)

22 STATE OF NEW YORK)
23 28 Liberty Street, 20th Floor)
24 New York, NY 10005)

25 and)

STATE OF NORTH CAROLINA)
P.O. Box 629)
Raleigh, NC 27602)

Plaintiffs,)

vs.)

26 JETBLUE AIRWAYS CORPORATION)
27 27-01 Queens Plaza North)
28 Long Island City, NY 11101)

29 and)
30 SPIRIT AIRLINES, INC.)
31 2800 Executive Way)
32 Miramar, FL 33025)

Defendants.)

HIGHLY CONFIDENTIAL

Videotaped deposition of TASNEEM
CHIPTY, Ph.D., taken stenographically before
MARGARET M. REIHL, RPR, CCR, CRR, at the offices
of Cornerstone Research, 2001 K Street NW, Suite
800, Washington, DC 20006, on Thursday, August
31, 2023, commencing at 9:06 a.m.

1 elasticity, you can anticipate quantity change.
2 But that's not how, at least, I normally thought
3 about it. I think about it in terms of the fare
4 increase and what that means in terms of market
5 demand and maybe contraction of output.

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15 Q. And the way averages work, some
16 prices might be higher and some prices might be
17 lower?

18 A. Sure, that's the nature of an
19 average. But you wouldn't have contraction in
20 demand if you had lots of things -- if that
21 average was driven by an outlier on the high
22 end. So it must mean that the average is driven
23 by a sufficient number of seats to drive demand
24 out of the market.

25 Q. You didn't estimate demand in

1 this case, correct?

2 A. No, I didn't. JetBlue did based
3 on its own analysis.

4 Q. You didn't do any work to verify
5 that that demand estimation was accurate,
6 correct?

7 A. I looked at their analysis of
8 entry and exit, and I could see where they got
9 it from. But no, I didn't do my independent
10 assessment of their study beyond looking at
11 their backup papers.

12 Q. Did you replicate their analysis?

13 A. Yeah, I can see exactly how they
14 calculated it.

15 Q. So in your work you went through
16 every step they went through with the data they
17 used and confirmed that they did it correctly?

18 A. I don't know what "every step"
19 means. I didn't repull the data they show in
20 there. But, sure, I looked at it, and I
21 understood how they came up with it, and it
22 seemed reasonable for what they were doing.

23 Q. Have you ever heard of the Pareto
24 Principle?

25 A. Not sure what you mean by it but